



Department of Justice

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Valley Woman Pleads Guilty to Federal Tax Evasion Charges

MONTGOMERY, ALABAMA –Dina Michelle Starnes, age 35, of Valley, Alabama, pled guilty in U.S. District Court to a one-count felony information charging her with tax evasion, in violation of Title 26, United States Code, Section 720, U.S. Attorney Leura G. Canary announced today. Starnes entered her plea today before United States Magistrate Judge Terry F. Moorer.

According to the plea agreement and information, from December 2003 through August 2007, Starnes, a resident of Valley, Alabama, was employed as a bookkeeper at an accounting firm (the "Firm") in Opelika. With respect to one of the Firm's clients ("Client"), the Firm would write checks for payroll and to pay vendors. From 2004 through 2007, Starnes embezzled approximately \$529,000 from Client. At first, Starnes would write payroll checks to herself (using variations of her actual name) and would then either deposit or cash the checks. Later, Starnes began writing checks for much larger amounts, covering her activities by making entries in Client's books to make it appear as if the checks had been written to legitimate vendors. Starnes did not file a federal income tax return for 2004, and she filed tax returns for 2005 and 2006 that failed to declare the embezzled \$529,000 as income. The total tax evaded from 2004 through 2006 was approximately \$115,159.

When she is sentenced by Chief Judge Mark E. Fuller, Starnes faces a statutory

maximum penalty of 5 years imprisonment, an order of restitution and costs of prosecution, and a fine of up to \$250,000. Starnes was released pending sentencing on a \$25,000 unsecured bond.

The case was investigated by the Internal Revenue Service, Criminal Investigation Division, with the assistance of the Opelika Police Department. The case is being prosecuted by Assistant U.S. Attorney Andrew O. Schiff.